United Nations A/57/664

General Assembly

Distr.: General
18 December 2002

Original: English

Fifty-seventh session
Agenda item 132 (a)
Financing of the activities arising from Security Council resolution 687 (1991): United Nations Iraq-Kuwait Observation Mission

Budget for the United Nations Iraq-Kuwait Observation Mission for the period from 1 July 2003 to 30 June 2004

Report of the Secretary-General

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02-74893 (E) 160103

Summary

The present report contains the budget for the United Nations Iraq-Kuwait Observation Mission for the period from 1 July 2003 to 30 June 2004, which amounts to $54,004,100, inclusive of budgeted voluntary contributions in kind in the amount of $25,000.

The budget provides for the deployment of 198 military observers, 909 military contingents, 71 international staff and 175 national staff.

Financial resources
(Thousands of United States dollars. Budget year is from 1 July to 30 June.)

Category of expenditure	*Expenditures (2001/02)*	*Apportionment (2002/03)*	*Cost estimates (2003/04)*	*Variance*	
				Amount	*Percentage*
Military and police personnel	22 333.5	18 880.6	20 920.6	2 040.0	10.8
Civilian personnel	13 608.7	15 736.8	15 169.5	(567.3)	(3.6)
Operational costs	12 693.5	15 955.8	17 889.0	1 933.2	12.1
Gross requirements	**48 635.7**	**50 573.2**	**53 979.1**	**3 405.9**	**6.7**
Staff assessment income	1 861.5	2 227.9	2 055.8	(172.1)	(7.7)
Net requirements	**46 774.2**	**48 345.3**	**51 923.3**	**3 578.0**	**7.4**
Voluntary contributions in kind (budgeted)[a]	46.7	2 767.4	25.0	(2 742.4)	(99.1)
Total resource requirements	**48 682.4**	**53 340.6**	**54 004.1**	**663.5**	**1.2**

[a] Apportionment for 2002/03 includes non-recurrent voluntary contributions in-kind, which were reported in the previous periods. Cost estimate for 2003/04 reflects recurrent voluntary contributions in-kind.

Human resources

Category of personnel	*Approved (2002/03)*	*Proposed (2003/04)*	*Net change*
Military observers	195	198	3
Military contingents	904	909	5
International staff	67	71	4
National staff	168	175	7

The actions to be taken by the General Assembly are set out in section IV of the present report.

I. Mandate and planned results

1. The United Nations Iraq-Kuwait Observation Mission (UNIKOM) was established by the Security Council in its resolution 689 (1991), with its mandate subsequently expanded by resolution 806 (1993). In a letter addressed to the Secretary-General dated 3 October 2002 (S/2002/1109), the President of the Security Council reported that the Council had reviewed the question of the termination or continuation of UNIKOM and its operational modalities and had concurred with the Secretary-General's recommendation that the Mission be maintained. The Council also decided, in accordance with resolution 689 (1991), to review the question once again by 6 April 2003.

2. The Mission is mandated to help the Security Council achieve the overall objective of restoring peace and security between the State of Kuwait and the Republic of Iraq.

3. Within this overall objective, the Mission will, during the budget period, contribute to a number of accomplishments by delivering related key outputs, shown in the frameworks below.

Component 1: Military

Expected accomplishments	*Indicators of achievement*	*Outputs*
1.1 Ensure compliance with the demarcated international boundary between Kuwait and Iraq	No serious violations of the demilitarized zone Reduced complaints by the parties against each other	1,552 Troop land patrol days 2,088 air patrol flight hours 2,920 sea vessel patrol hours 150 unexploded pieces of ordnance cleared Daily radar surveillance of the maritime sector Daily security checks at the six border crossings Regular consultations and liaison meeting with parties Confidence-building measures between parties facilitated Return of Kuwaiti property facilitated
External factors: Iraq and Kuwait will continue to cooperate in supporting the Mission. No serious restrictions on freedom of movement for UNIKOM personnel.		

Component 2: Support

Expected accomplishments	*Indicators of achievement*	*Outputs*
2.1 Increased efficiency and effectiveness in supporting the Mission	High level of surveyed satisfaction with the support services reported by Head of Mission and Chief of Staff	246 civilian staff administered 1,107 military personnel administered 25 per cent of buildings renovated Transported troops, staff and goods for 1,150,000 (medium truck) kilometres Uninterrupted provision of communications/information technology and power supply daily during the year 2 contingency-owned equipment inspections conducted Daily medical and health-care services provided 800 personnel trained on fire safety procedures 20 contracts administered 500 purchase orders issued 8 aircraft inspections conducted 422 vehicles maintained 32 staff trained in substantive, administrative and technical issues 8 troop rotations/repatriations conducted
External factors: Parties will allow freedom of movement for UNIKOM staff and suppliers. Suppliers will be able to deliver goods/services as contracted.		

II. Resource requirements

A. Financial resources

1. Overall

(Thousands of United States dollars. Budget year is 1 July to 30 June.)

Category	Expenditures (2001/02) (1)	Apportionment (2002/03) (2)	Cost estimates (2003/04) (3)	Variance Amount (4)=(3)-(2)	Variance Percentage (5)=(4)/(2)
Military and police personnel					
Military observers	6 852.8	3 558.6	6 213.6	2 655.0	74.6
Military contingents	15 480.7	15 322.0	14 707.0	(615.0)	(4.0)
Civilian police	—	—	—	—	—
Formed police units	—	—	—	—	—
Civilian personnel					
International staff[a]	6 703.4	8 092.1	8 047.5	(44.6)	(0.6)
National staff[b]	6 905.3	7 644.7	7 122.0	(522.7)	(6.8)
United Nations Volunteers	—	—	—	—	—
Operational costs					
General temporary assistance	43.6	—	25.0	25.0	—
Government-provided personnel	—	—	—	—	—
Civilian electoral observers	—	—	—	—	—
Consultants	—	—	—	—	—
Official travel	137.8	122.2	196.6	74.4	60.9
Facilities and infrastructure	2 840.5	4 023.6	4 611.4	587.8	14.6
Ground transportation	3 232.0	4 547.0	4 481.0	(66.0)	(1.5)
Air transportation	3 202.7	3 150.0	3 267.2	117.2	3.7
Naval transportation	32.0	40.2	40.2	—	—
Communications	683.7	1 167.6	1 844.6	677.0	58.0
Information technology	416.4	669.8	1 230.5	560.7	83.7
Medical	42.4	39.0	44.6	5.6	14.4
Special equipment	17.3	47.2	—	(47.2)	(100.0)
Miscellaneous supplies, services and equipment	2 045.1	2 149.2	2 147.9	(1.3)	(0.1)
Quick-impact projects	—	—	—	—	—
Gross requirements	**48 635.7**	**50 573.2**	**53 979.1**	**3 405.9**	**6.7**
Staff assessment income	1 861.5	2 227.9	2 055.8	(172.1)	(7.7)
Net requirements	**46 774.2**	**48 345.3**	**51 923.3**	**3 578.0**	**7.4**
Voluntary contributions in kind (budgeted)[c]	46.7	2 767.4	25.0	(2 742.4)	(99.1)
Total resource requirements	**48 682.4**	**53 340.6**	**54 004.1**	**663.5**	**1.2**

[a] Amounts for 2003/04 and 2002/03 are inclusive of a 5 per cent vacancy rate.
[b] Amount for 2003/04 is inclusive of a 0 per cent vacancy rate compared to a 5 per cent vacancy rate applied in 2002/03.
[c] Amount for 2003/04 is inclusive of a contribution valued at $25,000 from the Government of Kuwait.

2. Contingent-owned equipment: major equipment and self-sustainment

4. Provision for major equipment and self-sustainment included in the total resource requirements for the period from 1 July 2003 to 30 June 2004 is as follows:

Category	*Amount (Thousands of US dollars)*
Major equipment	413.8
Self-sustainment	—
Total	**413.8**

B. Human resources

1. Military and police personnel

	Approved (2002/03)	*Proposed (2003/04)*	*Net change*
Military observers	195	198	3
Military contingents	904	909	5

2. Civilian personnel

	International staff										
	USG -ASG	*D-2 -D-1*	*P-5 -P-4*	*P-3 -P-1*	*Field Service*	*General Service*	*Security Service*	***Subtotal***	*National staff*	*United Nations Volunteers*	***Total***
Office of the Force Commander											
Approved 2002/03	1	1	4	1	—	3	—	**10**	12	—	**22**
Proposed 2003/04	1	2	4	1	—	3	—	**11**	11	—	**22**
Division of Administration											
Approved 2002/03	—	1	4	4	43	5	—	**57**	156	—	**213**
Proposed 2003/04	—	1	4	5	45	5	—	**60**	164	—	**224**
Total											
Approved 2002/03	1	2	8	5	43	8	—	**67**	168	—	**235**
Proposed 2003/04	1	3	8	6	45	8	—	**71**	175	—	**246**
Net change	—	1	—	1	2	—	—	**4**	7	—	**11**

III. Analysis of variances[1]

Reference

This section describes the single largest contributing factor of each resource variance according to specific standard options encompassed in the four standard categories listed below:

- **Mandate**: variances caused by changes in the scale or scope of the mandate or changes in the expected accomplishments as driven by the mandate;
- **External**: variances caused by parties or situations external to the United Nations;
- **Cost parameters**: variances caused by United Nations regulations, rules and policies;
- **Management**: variances caused by management actions to achieve planned results more effectively (e.g. by reprioritizing or adding certain outputs) or efficiently (e.g. by taking measures to reduce personnel or operational inputs while maintaining the same level of outputs), and/or from performance related issues (e.g. by having underestimated the costs or quantities of inputs required to produce a certain level of outputs, or by delayed recruitment).

	Variance	
Military observers	$2,655.0	74.6%

- **Cost parameters: change in mission subsistence allowance level**

5. Additional requirements are attributable to the upward revision in the rate of mission subsistence allowance from $40 per day to $77 per day in the demilitarized zone, effective 1 April 2002.

6. The cost estimate takes into account the increase in the number of military observers from 195 to 198. The additional observers will facilitate the integration of the military and civilian components within the Communications and Information Technology, Transport and Engineering Support Sections.

[1] Resource variance amounts are expressed in thousands of United States dollars.

	Variance	
Military contingents	($615.0)	(4.0%)

- **Management: reduced inputs and same outputs**

7. Lower requirements result from reduced payments for contingent-owned equipment since part of the equipment will be fully reimbursed prior to the financial period covered by this budget proposal.

8. The cost estimate takes into account an increase in the number of military contingents, from 904 to 909, consisting of one Aviation Safety Officer and four qualified crash crew personnel. This increase is based on recommendations issued by the Aviation Safety Officer at Headquarters following his mission to UNIKOM in February 2002, which included measures to enhance fire preparedness and safety in the Mission's air operations.

	Variance	
International staff	($44.6)	(0.6%)

- **Management: reduced inputs and same outputs**

9. Lower requirements result from the alignment of the estimate for salaries and common staff costs with the actual level of staff within the mission, which is a result of posts being filled at a lower level than authorized.

10. The cost estimate includes the requirement for four additional posts, increasing the staffing component from 67 to 71. The following four additional international posts are proposed: (a) a post at the D-1 level is requested for the Deputy Force Commander, who is to ensure more effective United Nations operational command and control of the Force and who may officially act for the military commander during periods of absence on leave or duty; (b) a post of Deputy Chief Engineer at the P-2 level, which is a conversion of the current Field Service post performing this function; (c) an Air Operations Assistant at the Field Service level, replacing the military personnel previously performing these functions, to enable the Mission's administration to exercise quantitative and qualitative supervision and monitoring of the execution of the daily air operational tasks in Kuwait City; and (d) a Fuel Cell Assistant at the Field Service level to manage the ordering, consumption and accounting of petrol, oil and lubricant products for the Mission, a post that will help strengthen management control and reduce waste.

	Variance	
National staff	($522.7)	(6.8%)

- **Management: reduced inputs and same outputs**

11. The lower estimate for national staff costs is arrived at by using a lower salary scale as a proforma, which more accurately reflects the level of the staff in the Mission.

12. The cost estimate includes the requirement for seven additional posts, increasing the staffing component from 168 to 175. The following seven additional

posts are proposed: (a) three posts within the Engineering Section to provide adequate maintenance support for the patrol boats based in Warbah Island; (b) one post for a rigger in the Communications Section, who will be responsible for the maintenance of the communications towers within the mission area; (c) one post in the Information Technology Section to meet the heightened system security standard required for the planned deployment of new information technology systems; (d) one post to supplement existing staff to carry out fire safety functions; and (e) one post in the Air Operations Section to provide 24-hour coverage of the movement control functions.

	Variance	
General temporary assistance	$25.0	—

- **Management: additional inputs and same outputs**

13. The allocation covers the need for the temporary engagement of national staff for the position of translator and driver in Iraq.

	Variance	
Official travel	$74.4	60.9%

- **Management: additional outputs and inputs**

14. Increased requirements are needed for the official travel of staff from Headquarters to the Mission to provide technical support and assistance in the implementation of the Galaxy and Mercury systems, voice/fax data encryption and the upgrade of the Field Assets Control System (FACS).

	Variance	
Facilities and infrastructure	$587.8	14.6%

- **Management: additional outputs and inputs**

15. Increased requirements are needed to purchase a supply of 21 generators to replace those that are to be written-off and to provide back-up generators required as a result of regular power outages.

	Variance	
Air transportation	$117.2	3.7%

- **External: change in market price levels**

16. The additional requirement is mainly a result of the higher costs of liability insurance.

	Variance	
Communications	$677.0	58.0%

- **Management: additional outputs and inputs**

17. Additional requirements are needed for the construction of alternate self-supporting communication towers to ensure uninterrupted communications services.

	Variance	
Information technology	$560.7	83.7%

- **Management: additional outputs and inputs**

18. Increased requirements are needed to upgrade the Mission's information technology infrastructure through the replacement of equipment and to enhance system security.

	Variance	
Medical	$5.6	14.4%

- **Management: additional outputs and inputs**

19. Additional requirements are needed for the replacement of worn equipment and the purchase of new physiotherapy equipment.

	Variance	
Special equipment	($47.2)	(100.0%)

- **Management: reduced inputs and same outputs**

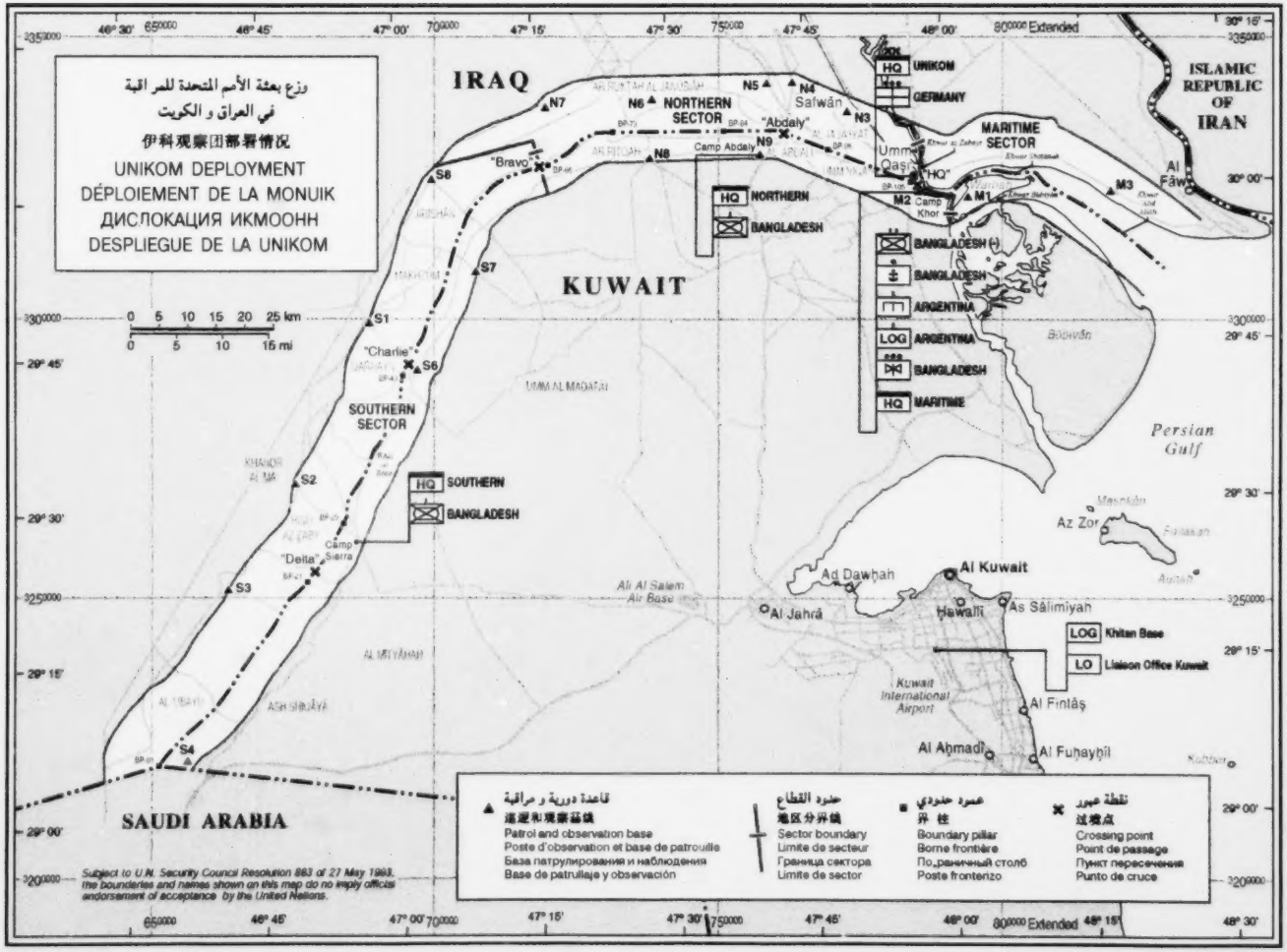
20. The Mission does not foresee any requirements under this heading.

IV. Actions to be taken by the General Assembly

21. **The actions to be taken by the General Assembly in connection with the financing of UNIKOM are:**

(a) Appropriation of the amount of $53,979,100 for the maintenance of the Mission for the 12-month period from 1 July 2003 to 30 June 2004, including $34,615,533 net, representing two thirds of the cost, to be funded through voluntary contributions from the Government of Kuwait;

(b) Assessment of the amount of $19,363,567 representing the balance of the appropriation, at a monthly rate of $1,613,630, subject to a decision by the Security Council with regard to the termination or continuation of UNIKOM.



Map No. 3637 Rev. 23 UNITED NATIONS
October 2002 (Special)

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